

Uncompensated Care Pool Quarterly Report, PFY05 Q2

About this Report

Pursuant to Chapter 149 of the Acts of 2004, the Division of Health Care Finance and Policy (the Division) submits this quarterly report on the demographics and utilization patterns of individuals whose medical care is paid for by the Uncompensated Care Pool (UCP or 'the Pool'). This report covers Pool activity during the first two quarters of Pool Fiscal Year 2005 (PFY05 Q1 and Q2) from October 1, 2004, through March 31, 2005, and reports on the number of inpatient discharges and outpatient visits by age, income, and diagnostic category, as well as average charge per inpatient discharge and outpatient visit, and other statistics pertinent to monitoring the Pool.

Analyses of the utilization patterns of Pool users are based on claims for services billed to the Pool by each acute care hospital and community health center (CHC) in the Commonwealth. Demographic information is taken primarily from uncompensated care applications used by these facilities to determine eligibility and then submitted to the Division. Total charges and allowable uncompensated care costs are based on monthly reports submitted to the Division by each hospital and CHC. This report is based on the most recent data available. See Data Notes at the end of this report for further information on the data used in the analyses provided here.

This report is organized into four sections containing the following information on Pool activity during the first two quarters of PFY05:

- *Impact of PFY05 Pool Reforms*, including analyses of MassHealth Eligibility Screening reform, the Critical Access Provision, and the Non-Massachusetts Residency Restriction;

- *Pool Utilization Statistics*, including the number of individuals whose medical expenses were billed to the Pool, the volume of services provided to Pool users, and the costs to the Pool of that care;
- *Pool User Demographics*, including the volume of services and costs by age, gender, family income, and family size; and
- *Services Billed to the Pool*, including details on the types of services received by Pool users, inpatient and outpatient volume and costs by age and gender, type of inpatient admission, top reasons for care, and average costs for inpatient discharges and outpatient visits.

Uncompensated Care Pool Overview

The Uncompensated Care Pool pays for medically necessary services provided by acute care hospitals and CHCs to eligible low-income uninsured and underinsured individuals. In addition, the Pool reimburses hospitals for emergency services for uninsured individuals from whom the hospitals are unable to collect payment (these are known as emergency bad debt charges or ERBD). The Pool is always the payer of last resort on any claim. If an individual is uninsured, the Pool is the primary and only payer. However, if another public or private insurer is the primary payer, the Pool may be charged for the balance of charges

Inside

Pool Reform	2
Pool Utilization Statistics	3
Pool User Demographics	4
Services Billed to the Pool	7
Data Notes	10
Appendix	11

for which the eligible individual is responsible. For more information about the Uncompensated Care Pool, please contact the Division at (617) 988-3222, or visit www.mass.gov/dhcfp.

Beginning in PFY04, the UCP payment method for hospitals changed from a retrospective fee-for-service system to a prospective fixed-payment system. Under the new system, acute care hospitals are paid a pre-determined amount from the Pool each month, based in part on historical uncompensated care costs. CHCs continue to be paid on a fee-for-service basis up to an annual cap that is set for total CHC expenditures. See the appendix for a summary table of the sources and uses of Pool funds comparing PFY04 with PFY05 through Q2.

The Impact of PFY05 Pool Reforms

MassHealth Eligibility Screening

Since October 1, 2004, all UCP applications processed through the MassHealth application system have been screened first for MassHealth eligibility before a UCP determination is made.

Beginning in January PFY05, the majority of monthly UCP determinations have been completed using the MassHealth application process. As anticipated, the transition to the Virtual Gateway application system has resulted in a significant reduction in UCP applications submitted to the Division; these applications declined 51% between October and March, an average decline of 12% per month. MassHealth UCP determinations increased by an average of 24% per month during this period. The Division continues to receive applications for the age 65 and over population, applications for a small number of confidential applicants, and Medical Hardship applications. As the Community Elder population is transitioned into the MassHealth application system, UCP determinations for the age 65 and over population will be completed using the MassHealth process.

One of the objectives of the MassHealth Eligibility Screening reform is to enroll patients in the most appropriate program available, possibly resulting in reduced UCP utilization.

Figures 1A, 1B, and 1C show the significant decrease in UCP utilization growth rates from PFY03

Figure 1A: Percent Change in Outpatient Visits by Pool Users Over Time, PFY04–PFY05 Q2

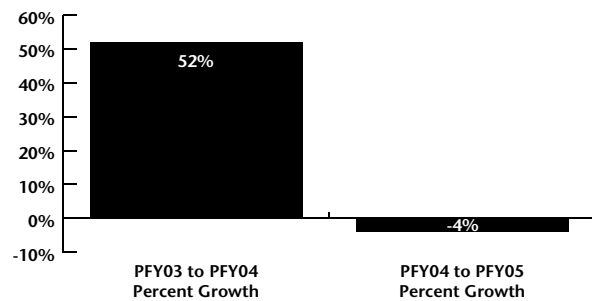


Figure 1B: Percent Change in Inpatient Discharges by Pool Users Over Time, PFY04–PFY05 Q2

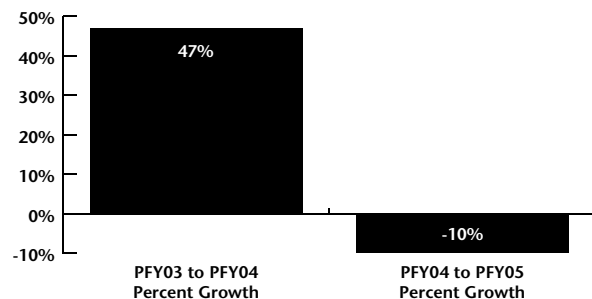
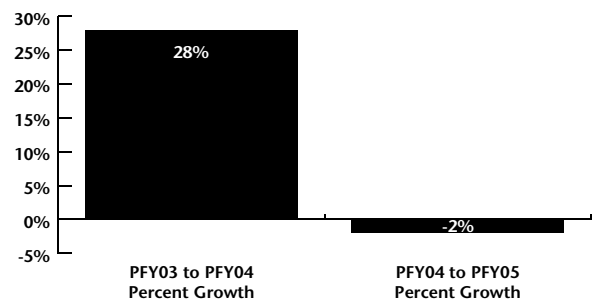


Figure 1C: Percent Change in CHC Visits by Pool Users Over Time, PFY04–PFY05 Q2



Note: These graphs use October through March data in all years.

through PFY05. For example, the growth rate for outpatient visits by Pool users dropped from 52% between PFY03 and PFY04 to -4% between PFY04 and PFY05. Similar declines were also evident for inpatient discharges and CHC visits.

Critical Access

The Critical Access policy reform has been in effect only since January 2005. In order to measure the potential effects of this reform, the Division monitors UCP primary care service volume to assess any possible shifts in utilization from the hospital to the CHC setting. In PFY05 through Q2, no effects were seen from the Critical Access restriction during this initial period; utilization decreased, hospital service volume decreased by 4%, and CHC service volume decreased 2% compared with PFY04 through Q2. Volume decreased for all services, and noticeable shifts in the provision of hospital-based primary care have not yet been seen.

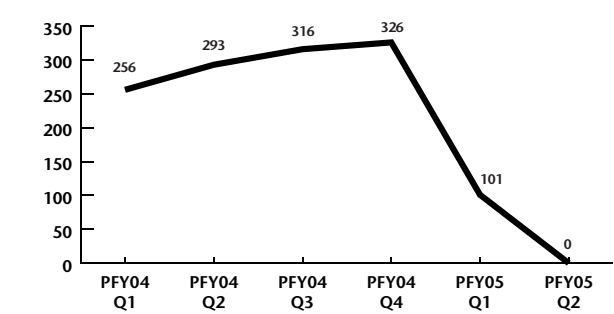
The Division monitors primary care at hospitals to develop a baseline measurement for the level of primary care provided at UCP facilities. This measurement will continue to be used to assess the ongoing effects of this reform.

Non-Massachusetts Residents

Both eligibility determinations and utilization for non-Massachusetts residents declined through PFY05 Q2. Applications for non-residents ceased (see Figure 2), and UCP service volume for this population decreased by 47% in PFY05 through Q2 compared with the same time period in PFY04.

The residency restriction did not apply to ERBD claims. Therefore, ERBD utilization was monitored to investigate whether ERBD claims among non-Massachusetts residents increased as a result of this reform. ERBD volume decreased over time, both for Massachusetts residents and non-residents. Total ERBD volume in PFY05 through Q2 decreased by 15% compared to PFY04 through Q2; ERBD for non-residents decreased by 16%.

Figure 2: Non-Massachusetts Resident UCP Applications Over Time, PFY04–PFY05 Q2



The Division is currently conducting financial and clinical audits of the Pool that will enable in-depth analyses of the PFY05 Pool reforms.

Pool Utilization Statistics

Number of Individuals Using the Pool

During PFY05 through Q2, medical expenses for an estimated 296,899 individuals were billed to the Pool, representing a 1% decrease in Pool users compared with PFY04 through Q2 when medical expenses for 298,995 individuals were billed to the Pool.

In PFY04, medical services for 465,743 individuals were billed to the Pool; 64% of these individuals received services during PFY04 Q1 and Q2.¹ The Division estimates that 463,905 individuals will benefit from services paid for by the Pool during PFY05, a decrease of less than 1% from PFY04. In contrast, the number of Pool users increased 14% from PFY03 to PFY04 and 18% from PFY02 to PFY03.

Allowable Costs Billed to the Pool

During PFY05 through Q2 costs exhibited a slower rate of growth than during previous quarters (see Figure 3A). Hospitals billed approximately \$361.8 million in projected allowable uncompensated care

¹ The seemingly high percentage (64%) of users in the first two quarters of PFY05 reflects the method used to calculate the number of users in a quarter versus a full year, and is not due to overly high utilization rates during the quarters. The user count for a quarter is the number of individuals who received services in that particular quarter; the user count for a year is the number of individuals who received services at any point during the year. Therefore, an individual who received services in the first and fourth quarters would be counted as a user in both the first and fourth quarters, but would only be counted as one user for the Pool Fiscal Year as a whole.

² These are projected costs based on the charges submitted to the Pool by each hospital multiplied by that hospital's interim cost-to-charge ratio.

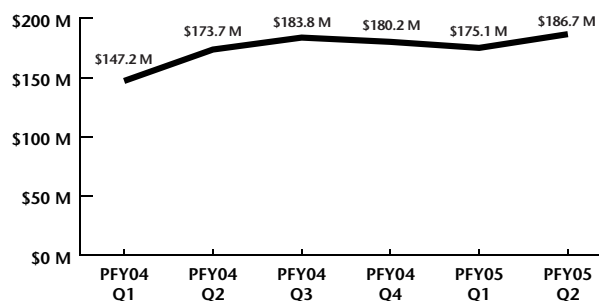
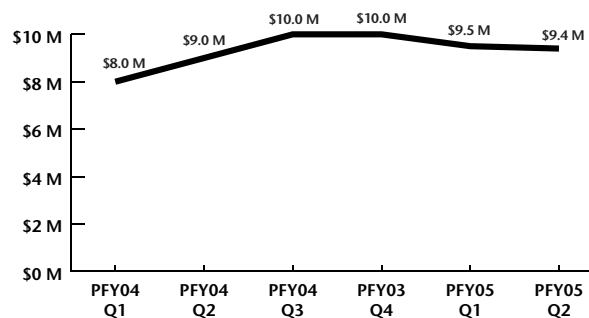
Table 1: Total Service Volume and Costs by Hospital and CHC, PFY05 Q1–Q2

	Service Volume	Percent of Total Volume	Allowable Costs to the Pool	Percent of Total Costs
Total Inpatient Discharges	18,533	2%	\$123,025,291	32%
Total Outpatient Visits*	908,095	80%	\$238,813,799	63%
Total Hospital Discharges/Visits**	926,627	82%	\$361,839,090	95%
CHC Visits	198,526	18%	\$18,938,049	5%
Total Hospital and CHC Volume	1,125,153	100%	\$380,777,139	100%

* Outpatient Visits include visits to hospital outpatient departments and hospital-licensed community health centers.

** 87% of the service volume and 84% of costs were for regular uncompensated care services; 13% of service volume and 16% of costs were for emergency bad debt services (ERBD).

costs² to the Pool, which was essentially unchanged from the \$364.0 million billed to the Pool in the preceding two quarters (PFY04 Q3 and Q4). Total projected costs to the Pool in PFY04 equaled approximately \$684.9 million, an average of \$171.2 million per quarter.

Figure 3A: Hospital-Projected Allowable Costs by Quarter, PFY04–PFY05 Q2 (in millions)**Figure 3B: CHC Payments by Quarter, PFY04–PFY05 Q2 (in millions)**

CHCs received \$18.9 million from the Pool during PFY05 Q1 and Q2, a 5% decrease from the \$19.9 million paid to CHCs during PFY04 Q3 and Q4 (see Figure 3B). However, CHC payments in PFY05 Q1 and Q2 increased by 12% over the \$16.9 million paid to CHCs in PFY04 Q1 and Q2.

Volume of Services Provided

Table 1 summarizes the volume and costs of services billed to the Pool during the first two quarters of PFY05. As in the previous year, inpatient discharges represented a small percentage of the volume (2%), but a large percentage of allowable uncompensated care costs (32%). In contrast, hospital outpatient visits (including visits to hospital-licensed health centers) accounted for 80% of services provided and 63% of costs. The remaining 18% of services and 5% of costs were for services delivered at free-standing CHCs.

Hospital services provided to individuals who applied for and were determined to be eligible for uncompensated care accounted for 87% of all services and 84% of allowable hospital costs billed to the Pool. The remaining 13% of hospital services and 16% of allowable costs were for uncollectible emergency bad debt (ERBD) services. These percentages remained unchanged in PFY05 through Q2 compared with PFY04.

Pool User Demographics

In the first two quarters of PFY05, the demographic characteristics of Pool users remained essentially unchanged from PFY04, with the majority of Pool users being uninsured, single, childless adults ages 19 to 64, with very low incomes.

Figure 4A: Percent of Total Service Volume by Primary Payer, PFY05 Q1–Q2

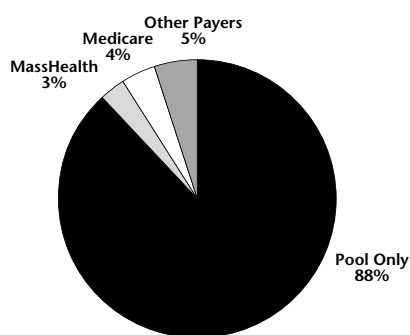


Figure 5A: Percent of Total Hospital Service Volume by Gender of Patient, PFY05 Q1–Q2

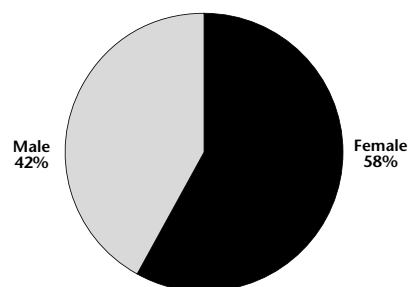


Figure 4B: Percent of Total Hospital Pool Costs by Primary Payer, PFY05 Q1–Q2

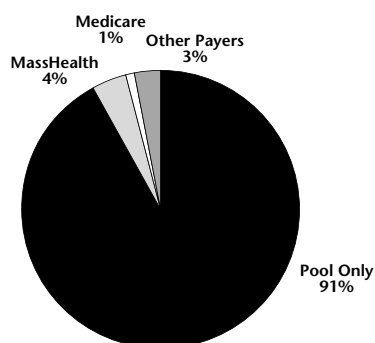
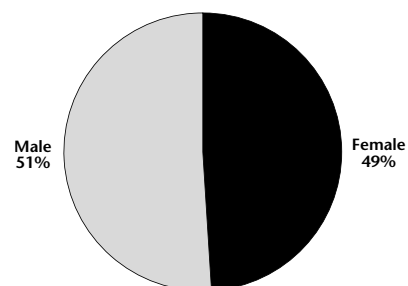


Figure 5B: Percent of Total Hospital Costs by Gender of Patient, PFY05 Q1–Q2



Insurance Status of Pool Users

The vast majority of Pool users were uninsured; 88% of all medical services billed to the Pool and 91% of costs were for individuals who reported having no insurance, and for whom the Pool was the primary and only payer. As such, the Pool paid for all medically necessary services for these uninsured individuals. The remainder of the Pool user population was covered by other public or private insurance, but the Pool was billed for any uncovered services, copayments, and deductibles. For this underinsured population, MassHealth was the primary payer for 3% of service volume and 4% of costs billed to the Pool, Medicare was the primary payer for 4% of services and 1% of costs, and other commercial and government programs were the primary payers for 5% of services and 3% of costs (see Figures 4A and 4B). When Medicare or other payers were the primary

payers, costs to the Pool represented a slightly lower percentage of total costs than of service volume. This difference reflects the fact that when the Pool is the only payer, it is billed for all medically necessary services, but when other payers are primary, the Pool is billed only for uncovered services, copayments, and deductibles, which are likely to be much lower in cost.

Utilization Patterns by Gender

As in previous quarters, men in the Pool user population used fewer services than women (42% of services billed to the Pool were for men versus 58% for women), but generated more hospital costs (51% for men versus 49% for women); see Figures 5A and 5B. This difference reflects a variation in utilization patterns; men are more likely than women to receive inpatient hospital care, which accounts for higher

Figure 6A: Percent of Total Hospital Service Volume by Age of Patient, PFY05 Q1–Q2

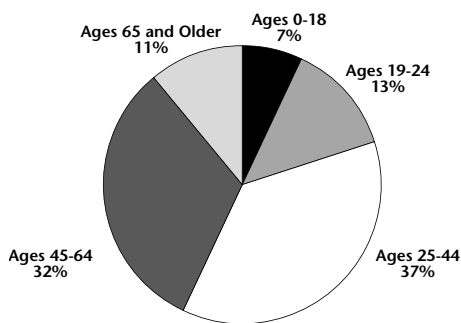
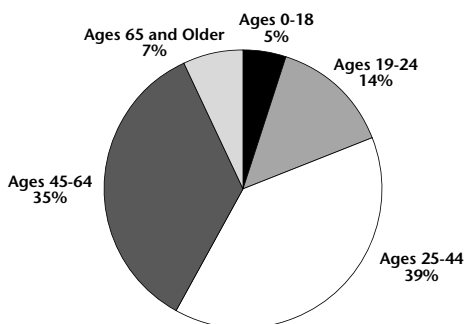


Figure 6B: Percent of Total Hospital Costs by Age of Patient, PFY05 Q1–Q2



costs to the Pool, while women more typically receive outpatient services (see also Figures 9A and 9B).

Utilization Patterns by Age

The Pool primarily pays for services for non-elderly adults. During PFY05 through Q2, young adults ages 25 to 44 received the largest percentage of services (37%), while the entire non-elderly population ages 19 to 64 received 82% of the total service volume (see Figure 6A). The distribution of hospital costs by age exhibits this same pattern (see Figure 6B).

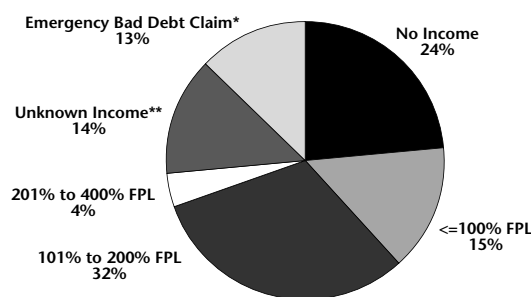
Utilization Patterns by Income

The majority of Pool users were low-income, single adults (see Figures 7A and 8A). Three-quarters (71%) of services billed to the Pool were for individuals with incomes less than 200% FPL, who were thereby eligible for full uncompensated care. Interestingly, Pool

users with no income accounted for 24% of service volume, but represented 28% of allowable hospital uncompensated care costs (see Figures 7A and 7B); as a group, they were more costly than other Pool users. This same pattern was also observed in PFY04.

In contrast, Pool users with family incomes between 101% and 200% FPL were less costly and accounted for 32% of claims, but for only 23% of costs.

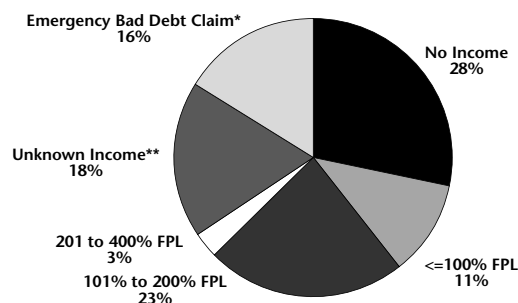
Figure 7A: Percent of Total Hospital Service Volume by Family Income, PFY05 Q1–Q2



* Data on family size are unavailable for ERBD claims because there are no uncompensated care applications associated with these claims.

** A small percentage of uncompensated care claims could not be matched to a corresponding application, so information on family size is unavailable for these claims.

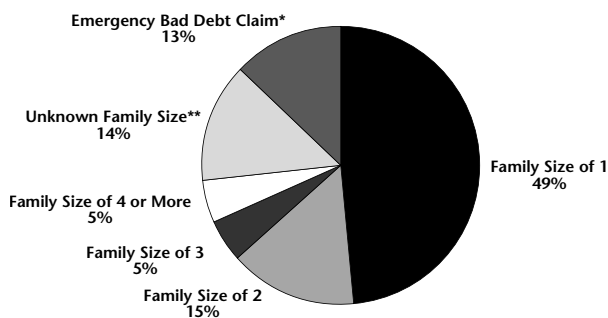
Figure 7B: Percent of Total Hospital Costs by Family Income, PFY05 Q1–Q2



* Data on family size are unavailable for ERBD claims because there are no uncompensated care applications associated with these claims.

** A small percentage of uncompensated care claims could not be matched to a corresponding application, so information on family size is unavailable for these claims.

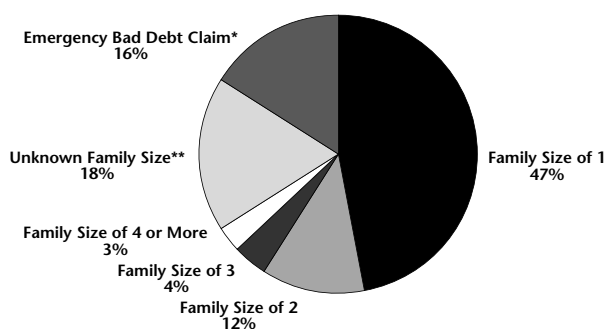
Figure 8A: Percent of Total Hospital Service Volume by Patient Family Size, PFY05 Q1–Q2



* Data on family size are unavailable for ERBD claims because there are no uncompensated care applications associated with these claims.

** A small percentage of uncompensated care claims could not be matched to a corresponding application, so information on family size is unavailable for these claims.

Figure 8B: Percent of Total Hospital Costs by Patient Family Size, PFY05 Q1–Q2



* Data on family size are unavailable for ERBD claims because there are no uncompensated care applications associated with these claims.

** A small percentage of uncompensated care claims could not be matched to a corresponding application, so information on family size is unavailable for these claims.

Utilization Patterns by Family Size

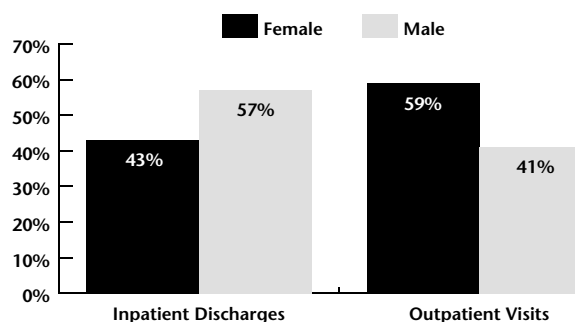
Almost two-thirds of service volume (64%) and costs to the Pool (59%) were for one- or two-person families. Forty-nine percent of all services were for single, childless adults, and another 15% were for two-person families comprised of two adults, or an adult and child.

An increase in the number of unmatched claims in PFY05 through Q2 affected the data regarding family income and family size. Please see Data Notes at the end of this report for a discussion of the claims to applications matching process.

Utilization Patterns of the Pool Population: Services Billed to the Pool

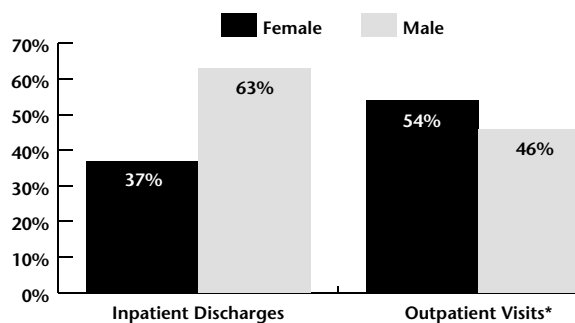
Except where noted, the Uncompensated Care Pool utilization patterns exhibited by the Pool population during PFY05 Q1 and Q2 remained similar to the patterns of utilization observed in previous quarters.

Figure 9A: Percent of Discharges and Visits* by Claim Type and Patient Gender, PFY05 Q1–Q2



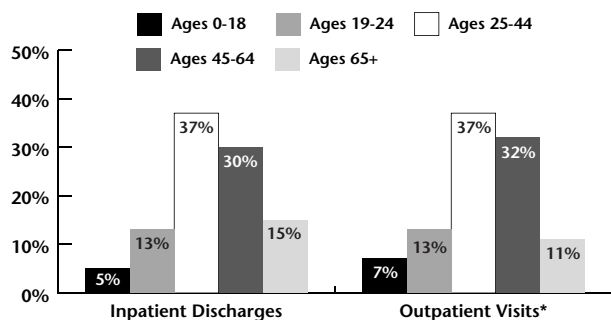
* Includes visits to hospital outpatient clinics and hospital-licensed CHCs.

Figure 9B: Percent of Costs to the Pool by Claim Type and Patient Gender, PFY05 Q1–Q2



* Includes visits to hospital outpatient clinics and hospital-licensed CHCs.

Figure 10A: Percent of Discharges and Visits by Claim Type and Patient Age, PFY05 Q1–Q2



* Includes visits to hospital outpatient clinics and hospital-licensed CHCs.

Figure 11A: Percent of Inpatient Discharges by Admission Type, PFY05 Q1–Q2

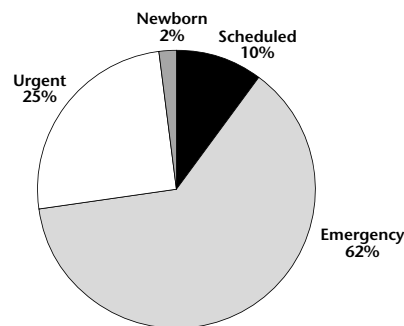
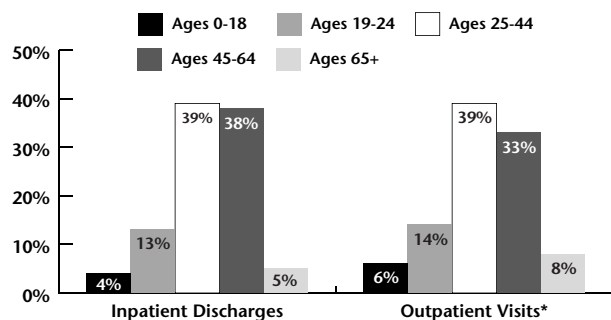
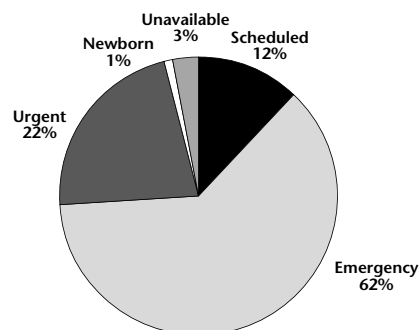


Figure 10B: Percent of Costs to the Pool by Claim Type and Patient Age, PFY05 Q1–Q2



* Includes visits to hospital outpatient clinics and hospital-licensed CHCs.

Figure 11B: Percent of Costs to the Pool by Inpatient Admission Type, PFY05 Q1–Q2



Hospital Utilization by Gender

Consistent with previous quarters, utilization of inpatient and outpatient services differed dramatically for men and women during the first two quarters of PFY05. Fifty-seven percent of all inpatient services were for men, while 59% of outpatient services (including care in outpatient clinics and hospital-licensed health centers) were for women (see Figure 9A).

The inpatient care for men accounted for 63% of inpatient costs billed to the Pool, or approximately \$77.5 million, while inpatient care for women accounted for 37% of inpatient costs, approximately \$45.5 million. In contrast, outpatient care for women

accounted for over half (54%) of outpatient costs, approximately \$128.9 million, while care for men accounted for the remainder (46%), approximately \$109.9 million (see Figure 9B and Table 1).

Hospital Utilization by Age

Pool users ages 25 to 44 received the most care of any age group in both hospital inpatient and outpatient settings, and generated the highest percentage of costs. However, the inpatient care for Pool users ages 45 to 64 was disproportionately expensive; services for this group accounted for 30% of inpatient discharges, but 38% of inpatient costs (see Figures 10A and 10B).

Table 2: Top Inpatient Major Diagnostic Categories (MDCs) for Uncompensated Care Patients by Percent of Total Visits and Cost to the Pool, PFY05 Q1–Q2

MDC	Percent of Total Inpatient Discharges	Percent of Total Inpatient Costs
Circulatory Diseases and Disorders	14%	15%
Mental Diseases and Disorders	11%	13%
Digestive Diseases and Disorders	11%	9%
Respiratory Diseases and Disorders	9%	7%
Alcohol/Drug Use and Induced Organic Mental Disorders	9%	7%
Musculoskeletal Diseases and Disorders	6%	7%
Nervous System Diseases and Disorders	5%	8%
Hepatobiliary Diseases and Disorders	5%	6%
Skin Diseases and Disorders	4%	3%
Pregnancy, Childbirth, and the Puerperium	4%	2%
Total for Top MDCs	74%	75%

Type of Admission

Eighty-seven percent of inpatient services were for emergency or urgent care; slightly less than two-thirds (62%) were for emergency care, and 25% were for urgent care. An additional 10% were for scheduled (coded as “elective”) procedures (see Figure 11A).

Top Reasons for Inpatient Discharges

During the first two quarters of PFY05, the most common two reasons for inpatient care were for circulatory disorders and mental diseases; 25% of services and 28% of costs were attributable to these MDCs (see Table 2). Inpatient discharges for mental health and substance abuse related disorders continued to be prevalent within the Pool user population. Together, these diagnoses comprised 20% of inpatient diagnoses and costs.

Top Reasons for Outpatient Visits

Outpatient pharmacy services continued to represent the largest share of outpatient volume (26%) in PFY05 through Q2 (see Table 3). Interestingly, however, these visits generated just 15% of outpatient costs. These costs were for outpatient pharmacy services only; when pharmacy services occurred along with other outpatient services, the bill was grouped under the primary service provided.

Average Cost per Inpatient Discharge and Outpatient Visit

The average cost per inpatient discharge increased significantly in PFY05 through Q2 when compared with PFY04, and was approximately \$6,638 per inpatient discharge, and about \$263 per outpatient visit (see Table 4). This represents an increase of 21%

Table 3: Outpatient Ambulatory Patient Groups (APGs) for Uncompensated Care Patients by Percent of Total Visits and Costs, PFY05 Q1–Q2

APG	Percent of Total Visits	Percent of Total Costs
Pharmacy	26%	15%
Pulmonary Tests	4%	9%
Simple Gastrointestinal Diseases	2%	3%
Individual Comprehensive Psychotherapy	3%	1%
Counseling or Individual Brief Psychotherapy	2%	2%
Fracture, Dislocation, Sprain	2%	2%
Simple Musculoskeletal Diseases Except Back Disorders	2%	1%
Unspecified Dental Procedures	2%	1%
Physical Therapy	2%	1%
Upper Respiratory Infections, Ear, Nose, and Throat Infections	2%	1%
Total for Top APGs	47%	36%

Table 4: Average Charge per Inpatient Admission and Outpatient Visit, PFY05 Q1–Q2 including Comparison Cost Data from PFY04

	Number of Inpatient Visits/ Outpatient Discharges PFY05 Q1–Q2	Hospital Costs to the Pool PFY05 Q1–Q2	Average Cost PFY05 Q1–Q2	Average Cost PFY04
Inpatient Discharges	18,533	\$123,025,291	\$6,638	\$5,471
Outpatient Visits	908,095	\$238,813,799	\$263	\$255
Total Inpatient Discharges/ Outpatient Visits	926,627	\$361,839,090	\$390	\$388

for the average inpatient cost per discharge, and an increase of 3% for the average outpatient visit over PFY04.

Data Notes

Data used in these analyses were drawn from the following sources:

Monthly Reports from Hospitals and CHCs

Each month, hospitals and CHCs report their uncompensated care charges to the Division. Hospitals use the UC (uncompensated care) form and CHCs use the CHC Payment form. The UC form is an aggregation of monthly hospital charges; the CHC Payment form details monthly visit activity for CHCs as well as certain charge activity. The UC forms are matched to each hospital's claims in the Division of Health Care Finance and Policy claims database.

Pool Claims Database

Hospitals and CHCs began electronic submission of Pool claims to the Division in March 2001. During PFY03, the Division began to withhold payments from hospitals with incomplete data. As a result, compliance with data submission requirements has improved dramatically. Although variability exists among providers, Pool charges reported in the claims database equal approximately 90% of the charges reported by hospitals on the monthly UC forms they submit to the Division.

Pool Applications Database

Hospitals and CHCs began to submit electronic uncompensated care application forms to the Division

in October 2000. The application contains data as reported by the applicant. Documentation of income and residency is required; hospitals and CHCs review and maintain the documentation.

Matched Pool Applications and Claims Database

To the extent possible, the Division matches uncompensated care claims to the corresponding uncompensated care application. Matching is based on the applicant's social security number or tax identification number when available. Additional matching uses an algorithm based on other available data such as phonetic last name, phonetic first name, date of birth, provider, etc. Since there are no applications associated with emergency bad debt (ERBD) claims, ERBD claims data are excluded from the match.

In PFY05 through Q2, approximately 86% of uncompensated care claims were matched to applications. In PFY04, this percentage was 91%. This decrease is largely due to the transition onto the MassHealth application system; the Division's matching algorithm measures uncompensated care claims that match to electronic applications submitted to the Division only. The Division is currently integrating data from the MassHealth application system into its claims database. Once this integration is complete, uncompensated care claims will be matched against both application data sets to ensure the most accurate matching process.

A certain small percentage of claims remains unmatched because of timing issues (e.g., applications submitted after an uncompensated care claim has been written off), or because of inconsistencies in personal identifiers that hinder matching.

Appendix: Uncompensated Care Pool Sources and Uses of Funds, PFY04–PFY05 Q2

<u>Uncompensated Care Trust Fund (Off Budget)</u>	<u>PFY04</u>	<u>PFY05</u>
Budgeted Revenue Sources		
Hospital Assessment	157.5	160.0
Surcharge Payers	157.5	160.0
General Fund Contribution	140.0	210.0
Other Funding Sources		
General Fund Transfer, Supp. Budget. (§. 154, Ch. 352 Acts of 2004)		12.0
General Fund Transfer	35.0	75.0
Surplus from PFY98 and PFY99*	6.7	12.0
Prior Fiscal Year UCP balance	28.0	
Medical Assistance Transfer Account (off budget)		7.2
Transfer of FFP pursuant to the Jobs & Growth Relief Rec Act of 2003	55.0	
Supplemental Budget Appropriation to CHCs	3.0	
Transfer from account # 4000-0896 (Essential)		75.0
Total Sources	582.7	711.2
Uses of Funds		
UCTF Pool Uses of Funds		
Hospitals	(386.7)	(498.6)
Audit Adjustments	-	-
Hospital Net After Audit Adjustments	(386.7)	(498.6)
Community Health Centers	(31.0)	(39.9)
Demonstration Projects (Historic Pool)	(3.0)	(3.0)
Demonstration Project: Disease Management	0.0	(4.9)
Pool Audit Unit: Transfer to Inspector General	0.0	(4.9)
Administration/Data Collection	(2.0)	0.0
MassHealth Essential	(160.0)	(160.0)
Total Uses	(582.7)	(711.2)
 <u>Uncompensated Care Pool: Financial Summary</u>	 <u>PFY04</u>	 <u>PFY05 Q1–Q2</u>
Hospitals		
Hospital Payments	(386.7)	(249.3)
Offsets to UCP	(120.0)	(70.0)
Net Allowable UCP Costs**	(684.5)	(340.8)
Hospital Shortfall	(177.8)	(21.5)
Community Health Centers		
Community Health Center Payments	(31.0)	(18.9)
Net Allowable UCP Costs	(30.4)	(18.9)
CHC Shortfall	0.6	0.0
UCP Surplus/(Shortfall)	(177.2)	(21.5)

* Surpluses from the settlements of PFY98 and PFY99 totaling \$18.7 M were paid out in 2004 and 2005.

** In PFY04, Net Allowable Uncompensated Care Costs are based on 12 months of data for hospitals and 12 months of data for CHCs. In PFY05, UCP Costs for Q1 and Q2 are based on the applicable six months of data.